

## **VERMONT STATE EMPLOYEES' RETIREMENT SYSTEM**

Meeting of the Board of Trustees

May 11, 2006

### **Members present:**

WARREN WHITNEY, Chairperson, VSEA member (term expiring September, 2006)  
JEB SPAULDING, Vice-Chairperson, VT State Treasurer  
TOM GIFFIN, VSEA Alternate member, (term expiring September 2007)  
LINDA McINTIRE, Commissioner of Human Resources  
JAMES REARDON, Commissioner of Finance & Management – **arrived later in the meeting**  
JOE HEALY, Retired Vermont State Employees' Association  
DICK JOHANNESSEN, Governor's Delegate

### **Members absent:**

WILLIAM HARKNESS, VSEA member (term expiring September 2007)  
ROBERT HOOPER, VSEA member (term expiring September 2006)

### **Also attending:**

Cynthia L. Webster, Director of Retirement Operations  
David Minot, Director of Finance and Investments  
Donna Holden, Board Coordinator  
Marie Panciocco, Karl Kroner, Chip Sanville, Kay Kuzmik, Marilyn R. Collister, Jonathan Smith

The Chairperson, Warren Whitney, called the Thursday, May 11, 2006, meeting to order at 8:12 a.m., which was held in the Shared Conference Room, 109 State Street 4<sup>th</sup> Floor, Montpelier, VT.

### **ITEM 1:      Approval of minutes**

- A.      **March 9, 2006**
- B.      **April 11, 2006 Joint Meeting with VSTRS**

**On a motion by Mr. Healy seconded by Mr. Johannesen, the Board unanimously voted to approve the minutes of March 9, 2006, and April 11, 2006, as submitted.**

### **ITEM 2:      Discuss/Act on Disability Retirements for:**

- **Stephen M. Danielowich**
- **Edward E. Shatney**

**Mr. Healy made a motion seconded by Mr. Johannesen, to approve the continued disability retirement for Stephen M. Danielowich, as recommended by the Medical Review Board.**

**At 8:17 a.m. on a motion by Mr. Spaulding seconded by Mr. Johannesen, the Board unanimously voted to enter into executive session, pursuant to Title § 313, to discuss medical records.**

**At 8:24 a.m. the Board exited executive session.**

**Mr. Spaulding made an amendment to the motion seconded by Mr. Healy, to add a three-year review to the continued disability. Motion unanimously carried.**

**The original motion to approve the continued disability retirement for Stephen M. Danielowich was unanimously approved.**

**On a motion by Mr. Johannesen seconded by Mr. Giffin, the Board unanimously voted to approve the continued disability retirement for Edward E. Shatney, as recommended by the Medical Review Board.**

**ITEM 3:      §457 Plan Emergency Withdrawal Requests for:**

- **Laura Hill**
- **Kat Patterson**

**On a motion by Mrs. McIntire seconded by Mr. Healy, the Board unanimously voted to approve the §457 Plan emergency withdrawal for Laura Hill, and Kat Patterson, as recommended by the TPA, Great-West Retirement Services.**

With the Board's permission the following item was taken out of order.

*Mr. Reardon arrived during the next item.*

**ITEM 4:      Great-West §457 Plan Quarterly Report**

Ms. Marilyn Collister, J.D., LL.M. (Taxation), CRA, FLMI of Great-West Retirement Services appeared before the Board and provided an in depth legislative and regulatory update.

*Mr. Whitney left the meeting and Mr. Spaulding assumed the roll of acting Chair.*

Karl Kroner appeared before the Board and provided the Q1/03 report, which included an asset balance of \$216.47 million with 5,998 (4,207 contributing) members, of which 5,578 (3,905 contributing) were State employees and 420 (302 contributing) were Municipal employees. The Plan's average per participant account balance was reported at \$36,091 with an average annual per member contributions of \$1,140.

Mr. Kroner also provided a brief Single Deposit Investment Account (SDIA) Plan summary, which included an asset balance of \$96.39 million for 2,581 participants.

**ITEM 5:      Retroactive Benefits Appeal from Lou Penn**

Mrs. Webster explained that letters were recently mailed to vested deferred members of all three systems that were of retirement age or older. She said that VSERS statutes do not provide for the retroactive benefits requested beyond 90-days, and her recommendation was to deny the request based on the statute.

Mrs. Webster further noted there was a letter in the member's file instructing him to contact the retirement office in advance of his retirement date. Mr. Reardon agreed stating he felt there was also a personal responsibility of members regarding their retirement.

**On a motion by Mr. Healy seconded by Mr. Johannesen, the Board unanimously voted to deny the retroactive benefits request from Mr. Penn.**

Mrs. Webster will work with Mr. Whitney to respond to the request.

**ITEM 6: Legislative Update**

Mrs. Webster briefed the Board on the resulting status of S.51, H.238, H.887, and H.547. Also discussed was the development of two summer study committees.

**ITEM 7: Any other business to come before the Board**

None

**Next Meeting Dates:**

The next Vermont Pension Investment Committee meeting is May 31, 2006.  
The next scheduled monthly *conference call* meeting of the Board is June 8, 2006.

**Adjournment:**

**On a motion by Mr. Healy seconded by Mr. Reardon, the Board unanimously voted to adjourn at 11:20 a.m.**

Respectfully submitted,

Donna Holden, Board Coordinator  
for Cynthia Webster, Secretary to the Board